

# Frequently Asked Questions Related to Recent Biennial Budget Changes Affecting the ACCP

#### What are the major changes?

- ♦ The discharge site maximum increased from \$400,000 in eligible costs to \$650,000 in eligible costs.
- ♦ Eligibility is restored to all sites.
- ♦ ACCP surcharges were reduced.
- ♦ ACCP surcharges will be reviewed and set annually based on the ACCP fund balance.

#### When do these changes take effect?

- The increase in the discharge site maximum is effective with costs incurred on or after July 1, 2017.
- Eligibility was restored to all sites as of September 21, 2017.
- The ACCP fund balance will be reviewed May 1 of every year to determine ACCP surcharges for the following license and tonnage year.
- Based on the current ACCP fund balance, there will be an ACCP surcharge holiday on pesticide and fertilizer licenses and associated fees for the 2018 licensing year. The ACCP surcharge holiday has staggered effective dates based on the license.
  - ✓ Pesticide "percent of sales" surcharge eliminated as of October 1, 2017
  - ✓ Pesticide licenses for the license year beginning January 1, 2018
  - ✓ Fertilizer licenses for the license year beginning October 1, 2018
  - ✓ Fertilizer tonnage for the tonnage year beginning July 1, 2018

#### When are costs incurred?

The date a cost is "incurred" is the date of the check that was issued (or alternative payment method was used) to pay a cost.

How is the maximum amount of reimbursement affected by the increase in costs eligible for reimbursement at a discharge site?

For discharge sites with a \$3,000 deductible, with all costs incurred on or after 1/1/04, the new maximum reimbursement that can be issued is \$485,250 [(\$650,000 maximum eligible costs - 3,000 deductible) x 75% remaining after 25% copayment].

For discharge sites with a <u>\$7,500 deductible</u>, with all costs incurred on or after 1/1/04, the new maximum reimbursement that can be issued is **\$481,875**[(\$650,000 maximum eligible costs - 7,500 deductible) x 75% remaining after 25% copayment].

If some of the costs for a discharge site were incurred prior to 1/1/04, the maximum amount of reimbursement that can be issued will vary. Please contact the ACCP auditor at (608) 224-4522 if you want to learn the maximum payment for those discharge sites.

### How will the increase in the discharge site maximum impact <u>all</u> discharge sites in the ACCP?

The discharge site maximum was increased from \$400,000 to \$650,000 for eligible costs *incurred* on or after July 1, 2017.

The reimbursement requirements and conditions for ACCP eligible costs are unchanged. The ATCP 35, Wis. Adm. Code Interpretations and Clarifications (<a href="https://datcp.wi.gov/Documents/InterpretationsClarifications.pdf">https://datcp.wi.gov/Documents/InterpretationsClarifications.pdf</a>), explains reimbursement requirements in detail.

### How will the increase in the discharge site maximum impact open case discharge sites that are below the \$400,000 maximum by July 1, 2017?

The discharge site maximum increased from \$400,000 to \$650,000. There are no other changes.

## How will the increase in the discharge site maximum impact open case discharge sites that received the maximum reimbursement before July 1, 2017?

Costs incurred after July 1, 2017 are now eligible for additional ACCP reimbursement under the \$650,000 maximum. The department's review and approval of the cost estimates and associated scopes of work are required. If not already approved, cost estimates for costs incurred on or after July 1, 2017 should be submitted to the department by December 15, 2017 for approval.

Future applications with costs incurred between July 1, 2017 and December 15, 2017 under cost estimates not provided by December 15, will be ineligible for reimbursement. Reconsideration of those costs can be requested using the "75% provision" in s. ATCP 35.16 (8) (c), Wis. Admin. Code.

### How will the increase affect <u>closed</u> case discharge sites that received the maximum reimbursement before July 1, 2017?

In the event additional cleanup is planned, a cost estimate and associated scope of work should be submitted for the department's review and approval..

## Do I need to obtain competitive bids for open or closed case sites that received the maximum reimbursement before July 1, 2017?

Not necessarily. All reimbursement requirements and conditions for ACCP-eligible costs are unchanged. Therefore, consulting costs submitted for reimbursement must be at rates allowed in the original proposal. If a new consultant was hired without obtaining three competitive bids, the rates in the original cost estimate will be used as the basis for the billing rates as long as the Department determines that the rates are reasonable.

If there were subcontractor costs incurred during this time period, they too will be reimbursed based on evaluation of bids or on the reasonableness of the costs if bidding was not performed.

#### What does it mean that eligibility is restored to all sites?

A previous biennial budget prohibited reimbursement for a discharge from a bulk storage facility constructed after July 2, 2013. This prohibition was repealed, and all facilities—including those constructed after July 2, 2013 are now eligible.

#### Where can I find more information on ACCP Surcharges?

Please reference https://datcp.wi.gov/Pages/Programs\_Services/RevEx.aspx. That page has a link to an "agrichemical fees" page that will be updated annually by May 15 with the current fee and surcharge amounts.